

State of Washington
Status of Audit Resolution
December 2002

Agency: 303

Department of Health

Audit Number	Finding Number
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2001F	08	Finding:	The Department of Health has not established adequate internal controls over eligibility for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) to ensure compliance with program requirements.
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Resolution/Status: The Department of Health (DOH) does not concur with this finding. However, DOH has taken the following action:

- The WIC Program sought technical assistance from the U.S. Department of Agriculture regarding requirements for documentation of eligibility determination, and confirmed that photocopies are not required. However DOH has decided to strengthen practice in this area by implementing two new policies:
 - Direct observation of income eligibility determination will occur as a part of every onsite monitoring visit, and
 - For each local agency that photocopies the source of income information used to determine eligibility, the income that is recorded in Client Information Management System (CIMS) will be compared (by random sampling) with the photocopy on file during their onsite monitoring visit, and
- Detected and repaired the CIMS programming deficiency so that no data used to determine eligibility is erased.

The DOH will also:

- Modify CIMS income screen(s) to support a new requirement to record in a consistent location and manner the source documentation used by local WIC staff to determine income eligibility. Target completion date: May 2003.

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2001F	09	Finding:	The Department of Health did not comply with special provisions regarding duplicate and dual payments for the Special Supplemental Nutrition Program for Women, Infants, and Children.
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Resolution/Status: The Department of Health concurs with this finding and has taken the following corrective action:

- Modified the WIC Client Information Monitoring System (CIMS),
- Run CIMS reports identifying potential instances of dual payments to clients on a regular basis, and
- Actively follow up on these reports per established criteria.

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Department of Health

2001F	10	Finding:	The Department of Health did not comply with special regulations regarding management evaluations of its subrecipients for the Special Supplemental Nutrition Program for Women, Infants, and Children.
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Resolution/Status: The Department of Health concurs with this finding and has completed the following corrective action:

- Completed the required monitoring visits for all local agencies,
- Implemented a new process for program management and fiscal evaluations of local agencies and for monitoring of subrecipient corrective action plans. By the end of 2002, all local agencies will have received a program management and fiscal evaluation within the previous two years. After that time, DOH will have in place a process for assuring that these evaluations occur with every local agency at least every two years.

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Department of Health

2001F 11 Finding: The Department of Health overstated expenditures on the Schedule of Expenditures of Federal Awards for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

Resolution/Status: The Department of Health has taken the following action:

- Requested guidance from the USDA's Food and Nutrition Service to determine if there is a more appropriate method of presenting non-federal program income on the Schedule of Expenditures of Federal Awards,
- Reached agreement with USDA and the Office of Financial Management that the rebate portion of the WIC program should not be included on the Schedule of Expenditures of Federal Awards. However, because the rebate amount is so material to the WIC program, and DOH as program administer is required to obtain the rebates, it was agreed that the total amount of the rebate activity should be disclosed in the notes to the Schedule of Expenditure of Federal Awards.

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